

**TWENTY-SEVENTH DAY.**

Senate Chamber,  
Austin, Texas,

Wednesday, February 13, 1929.

The Senate met at 10 o'clock a. m. pursuant to adjournment, and was called to order by Lieutenant Governor Barry Miller.

The roll was called, a quorum being present, the following Senators answering to their names:

Beck.	Moore.
Berkeley.	Parr.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Russek.
Greer.	Small.
Hardin.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

Absent—Excused.

Neal.

Prayer by the chaplain.

Pending the reading of the Journal of yesterday, the same was dispensed with on motion of Senator Woodward.

**Petitions and Memorials.**

(See Appendix.

**Committee Reports.**

(See Appendix.)

**Bills and Resolutions.**

By Senator Woodul:

S. B. No. 507, A bill to be entitled "An Act to license and regulate the business of making loans in sums of Three Hundred Dollars (\$300) or less, secured or unsecured, prescribing the rate of interest to be charged therefor, authorizing and limiting the fees or service charges to be paid by the borrower on such loans; etc., and declaring an emergency."

Read first time and referred to Committee on State Affairs.

By Senator Small:

S. B. No. 508, A bill to be entitled "An Act fixing the compensation of

district attorneys in districts of four or more counties and prescribing how the same shall be paid; and declaring an emergency."

Read first time and referred to Committee on State Affairs.

By Senator Parrish:

S. B. No. 509, A bill to be entitled "An Act to establish and maintain an agricultural experiment station on the South Plains of Texas, in the region occupied by the counties of Cochran, Yoakum, Gaines, Andrews, Terry and portions of Lynn and Dawson counties, authorizing the board of directors of the Agricultural and Mechanical College of Texas to select a suitable location for said station, empowering said board of directors to establish and maintain same, to accept donations of land, water and money for the establishing of said station, making an appropriation to pay the cost of establishing said station and for the operation of same; and declaring an emergency."

Read first time and referred to Committee on Agriculture.

By Senator Greer:

S. B. No. 510, A bill to be entitled "An Act creating a more efficient road system for Anderson County, Texas; providing that the county commissioners shall cooperate with the State Highway Department in the establishment, construction and maintenance of designated State highways, to be paid for partly by the county and partly by the State or Federal government; etc., and declaring an emergency."

Read first time and referred to Committee on State Highways and Motor Traffic.

By Senator Westbrook:

S. B. No. 511, A bill to be entitled "An Act to establish and maintain an agricultural experiment station in the Fifth Senatorial District of Texas, etc., and declaring an emergency."

Read first time and referred to Committee on Agriculture.

By Senator Westbrook:

S. B. No. 512, A bill to be entitled "An Act requiring the collection of statistical information through the county tax assessor relating to agriculture, horticulture, stock raising,

manufacturing and mines; requiring returns of such information to be filed with county clerks; etc., and declaring an emergency."

Read first time and referred to Committee on Agriculture.

By Senator Martin:

S. B. No. 513, A bill to be entitled "An Act transferring Hood county from the Tenth Supreme Judicial District in which the Court of Civil Appeals sits at Waco to the Second Supreme Judicial District in which the Court of Civil Appeals sits at Fort Worth; providing for the proper transfer of cases incidental to said change; and declaring an emergency."

Read first time and referred to Committee on Judicial Districts.

By Senators Witt, Greer, Stevenson, Parr, Woodul and Hyer:

S. B. No. 514, A bill to be entitled "An Act to amend Article 7482, and Article 7485, as contained in Chapter 1 of Title 128 of the Revised Civil Statutes of Texas; also to amend Article 7960, Chapter 5 of Title 128 of Revised Civil Statutes of Texas for the purpose of fixing compensation of the members of the State Board of Water Engineers and of the Reclamation Engineer of the State of Texas."

Read first time and referred to Committee on State Affairs.

By Senator Woodward:

S. B. No. 515, A bill to be entitled "An Act to amend Article 4053 of 1925 Revised Statutes relating to the issuance of permits by the Game, Fish and Oyster Commissioner to applicants to take sand, shells, gravel, marl or mudshell from the public waters and their beds or public islands by providing that the Game, Fish and Oyster Commissioner shall not issue any special privilege or exclusive right to any person, association of persons, corporate or otherwise, to take or carry away any of the sand, shells, gravel, marl or mudshell from any of the public waters and their beds or public islands, for a longer period than five years; providing when this law shall take effect, and declaring an emergency."

Read first time and referred to Committee on State Affairs.

### Loan Shark Report.

Senator Woodul received unanimous consent to have printed in the Journal a report of the ad interim Legislative Small Loan Committee.

(See Appendix.)

### Copy of S. B. No. 66 Filed With Committee.

Senator Woodward received permission to file with the Committee on Civil Jurisprudence a copy of S. B. No. 66, the original having been misplaced, and to have placed on the copy all records placed on the original bill.

### Bills Signed.

The Chair, Lieutenant Governor Barry Miller, gave notice of signing, and did sign, in the presence of the Senate, after their captions had been read, the following bills:

H. C. R. No. 12.

H. B. No. 331.

H. B. No. 358.

H. B. No. 479.

### Simple Resolution No. 67.

Senator Love sent up the following resolution:

Resolved, That the Committee on Criminal Jurisprudence be instructed to report S. B. Nos. 23 and 24 not later than Thursday, February 14, at 12 o'clock noon.

LOVE.

The resolution was read and lost by the following vote:

Yeas—9.

Berkeley.	Love.
Cousins.	McFarlane.
DeBerry.	Thomason.
Greer.	Woodward.
Hyer.	

Nays—15.

Beck.	Russek.
Cunningham.	Small.
Gainer.	Stevenson.
Holbrook.	Westbrook.
Martin.	Williamson.
Miller.	Wirtz.
Parr.	Woodul.
Parrish.	

Present—Not Voting.

Hornsby.	Patton.
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## Absent.

Hardin. Pollard.  
Moore. Witt.

## Absent—Excused.

Neal.

**House Bill No. 46.**

The Chair laid before the Senate, on second reading, the following bill:  
By Mr. Savage:

H. B. No. 46, A bill to be entitled "An Act amending Article 3386 of the Revised Statutes of 1925, as amended, 1927 providing for the amount of bonds of executors and administrators, and amending Article 3392 of the Revised Statutes of 1925, requiring new bond."

The bill was read second time.

On motion of Senator Love, the bill was laid on the table subject to call.

**S. J. R. No. 10 Set as Special Order.**

On motion of Senator Woodul, S. J. R. No. 10 was set as special order for Monday morning after the morning call.

**House Bill No. 57.**

The Chair laid before the Senate, on second reading, the following bill:

By Mr. Pope of Nueces:

H. B. No. 57, A bill to be entitled "An Act to amend Article 4111 of the Revised Civil Statutes of Texas, 1925, amended by Chapter 179, page 257, Regular Session of the Fortieth Legislature, 1927, so as to provide for fixing the venue where the appointment of guardians may be made, and declaring an emergency."

The bill was read second time.

Senator Witt sent up the following amendment:

Amend H. B. No. 57, by adding before the emergency and renumbering 6. Providing no guardian shall be a non-resident of Texas.

The amendment was read and adopted.

The bill as amended passed to third reading.

On motion of Senator Parr, the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 57 was put on its third reading and final passage, by the following vote:

Yeas—30.

Beck. Berkeley.

Cousins.  
Cunningham.  
DeBerry.  
Gainer.  
Greer.  
Hardin.  
Holbrook.  
Hornsby.  
Hyer.  
Love.  
Martin.  
McFarlane.  
Miller.  
Moore.

Parr.  
Parrish.  
Patton.  
Pollard.  
Russek.  
Small.  
Stevenson.  
Thomason.  
Westbrook.  
Williamson.  
Wirtz.  
Witt.  
Woodul.  
Woodward.

## Absent—Excused.

Neal.

The bill was read third time and finally passed by the following vote:

Yeas—30.

Beck.	Moore.
Berkeley.	Parr.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Russek.
Greer.	Small.
Hardin.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

## Absent—Excused.

Neal.

**House Bill No. 46.**

Senator Love called up from the table H. B. No. 46.

The bill passed to third reading.

On motion of Senator Love, the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 46 was put on its third reading and final passage, by the following vote:

Yeas—30.

Beck.	Love.
Berkeley.	Martin.
Cousins.	McFarlane.
Cunningham.	Miller.
DeBerry.	Moore.
Gainer.	Parr.
Greer.	Parrish.
Hardin.	Patton.
Holbrook.	Pollard.
Hornsby.	Russek.
Hyer.	Small.

Stevenson.	Wirtz.
Thomason.	Witt.
Westbrook.	Woodul.
Williamson.	Woodward.

Absent—Excused.

Neal.

The bill was read third time and finally passed by the following vote:

Yeas—30.

Beck.	Moore.
Berkeley.	Parr.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Russek.
Greer.	Small.
Hardin.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

Absent—Excused.

Neal.

#### House Bill No. 59.

The Chair laid before the Senate, on second reading, the following bill:

By Mr. Hubbard, Mrs. Negley and Mr. Graves of Williamson:

H. B. No. 59, A bill to be entitled "An Act to amend Articles 4613 and 4614, Title 75, Chapter 3, of the Revised Statutes of the State of Texas, 1925, concerning the marital rights of parties, defining separate property of the husband and wife, exempting separate property of the husband from debts contracted by the wife except for necessities furnished herself and children after her marriage with him, and from torts of the wife, giving husband management, control and disposition of his separate property during the marriage, providing that the wife shall have the sole management, control and disposition of her separate property; provided, that the joinder of the husband shall be necessary to a conveyance or encumbrance of the wife's lands, bonds and stocks; repealing all laws and parts of laws in conflict herewith, and declaring an emergency."

The bill was read second time.

Senator Wirtz sent up the following amendment:

Amend H. B. No. 59, page 2, line 30, by striking out Section 3, and substituting therefor the following:

Sec. 3. The fact that the Legislature has heretofore attempted to establish correlative and equal rights between the husband and wife with respect to the rents and revenues derived from their respective separate estates; and that the Legislature never would have provided, or attempted to provide, that the rents and revenues derived from the husband's separate property should be his separate estate if it had known that the correlative portion of the statute, which provided that the rents and revenues derived from the wife's separate property should be her separate estate, was in conflict with the Constitution, as heretofore held by the Supreme Court of Texas; and the fact that both of said correlative provisions, though unconstitutional, remain on the statute books and are, therefore, confusing and misleading, creates an emergency and imperative public necessity, requiring the suspension of the constitutional rule which requires all bills to be read on three days, and the rule is hereby suspended, and this Act shall take effect and be enforced from and after its passage, and it is so enacted.

The amendment was read and adopted.

The bill as amended passed to third reading.

On motion of Senator Hornsby the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 59 was put on its third reading and final passage, by the following vote:

Yeas—30.

Beck.	Moore.
Berkeley.	Parr.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Russek.
Greer.	Small.
Hardin.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

**Absent—Excused.**

Neal.

The bill was read third time and finally passed by the following vote:

**Yeas—30.**

Beck.	Moore.
Berkeley.	Parr.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Russek.
Greer.	Small.
Hardin.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

**Absent—Excused.**

Neal.

**House Bill No. 85.**

The Chair laid before the Senate on its second reading the following bill:

By Mr. McCombs, Mr. Holder, Mr. Keller and Mr. Savage:

H. B. No. 85, A bill to be entitled "An Act to amend Chapter 176 of the General Laws of the Thirty-eighth Legislature so as to increase the salary of the judge of the county court of Dallas county at Law No. 1, and the judge of the county court of Dallas at Law No. 2, from thirty-six hundred (\$3,600) dollars per annum to five thousand (\$5,000) dollars per annum; prescribing the method of payment, and declaring an emergency."

The bill was read second time.

On motion of Senator Love, the bill was laid on the table subject to call.

**House Bill No. 89.**

The Chair laid before the Senate on second reading the following bill:

By Mr. McCombs:

H. B. No. 89, A bill to be entitled "An Act to amend Section 10 of Chapter 25, of the General and Special Laws of the regular session of the Fortieth Legislature, so as to increase the salary of the judge of the county criminal court of Dallas County, Texas, to five thousand

(\$5,000) dollars per year, and to declare an emergency."

On motion of Senator Love, the bill was laid on the table subject to call.

**House Bill No. 108.**

The Chair laid before the Senate on second reading the following bill:

By Mr. Cox of Navarro:

H. B. No. 108, A bill to be entitled "An Act relating to courses of instruction in schools, colleges, universities and other educational institutions of the State of Texas."

The bill was read second time.

On motion of Senator Hyer the bill was laid on the table subject to call.

**S. B. No. 129 Set as Special Order.**

On motion of Senator Holbrook, S. B. No. 129 was set for special order Tuesday morning after the morning call.

**House Bill No. 109.**

The Chair laid before the Senate on second reading the following bill:

By Mr. Cox of Navarro:

H. B. No. 109, A bill to be entitled "An Act to require all persons who teach in the public schools to be American citizens."

The bill was read second time and passed to third reading.

**House Bill No. 153.**

The Chair laid before the Senate on second reading the following bill:

By Mr. Williams of Travis:

H. B. No. 153, A bill to be entitled "An Act authorizing the creation of corporations for the purpose of compiling and of acquiring and owning abstract plants in this or any other State, and to compile and sell abstracts of titles therefrom and to insure the title to lands and interest therein and liens thereon, and authorizing such corporations to accumulate and lend money to deal in securities, and to act as trustee, receiver, executor, administrator and guardian."

The committee report was adopted.

The bill was read second time.

Senator Love sent up the following amendment:

Amend H. B. No. 153 by inserting in section 11, in line 4, on page 6 of the House Printed Bill, the following:

"Providing that a company having a paid up capital stock of \$200,000 or more and whose premium reserve equals fifty per centum (50%) of its capital, surplus and undivided profits, may carry at its own risk, a policy involving a contingent liability equaling the total amount of its capital, surplus and undivided profits."

LOVE.

The amendment was read.

Senator Pollard moved to lay the bill on the table subject to call.

Senator Holbrook moved to table the motion. The motion to table prevailed.

Senator Holbrook moved to table the amendment. The motion prevailed.

Recess.

On motion of Senator Stevenson, the Senate, at 12:05 o'clock p. m., recessed until 2:00 o'clock p. m.

After Recess.

The Senate met at 2:00 o'clock p. m., pursuant to recess, and was called to order by Lieutenant Governor Barry Miller.

House Bill No. 153.

The question recurred upon the engrossment of H. B. No. 153.

Senator Wirtz sent up the following amendment:

Amend H. B. No. 153, page 2, section 1, by striking out all of paragraphs (2) and (3), lines 23 to 33 inclusive, and insert in lieu thereof the following:

"Any corporation created under the provisions of this Act shall have the power and authority to invest and re-invest its funds in the class of securities described in Section 6 of this bill, or any other security now provided by law in which any life insurance company, fire insurance company, or savings bank may invest its funds."

WIRTZ.

The amendment was read.

Senator Holbrook moved to table the amendment. The motion prevailed.

Senator Witt sent up the following amendment:

Amend H. B. No. 153 by striking from section 6 the words "provided however, etc," to the end of the section, and insert in lieu thereof the following: "Provided however that such deposit shall in no event be less than \$50,000."

WITT.

The amendment was read.

Senator Cousins moved to table the amendment. The motion prevailed by the following vote:

Yeas—16.

Beck.	McFarlane.
Cousins.	Parr.
DeBerry.	Patton.
Gainer.	Russek.
Holbrook.	Small.
Hornsby.	Thomason.
Hyer.	Williamson.
Love.	Woodul.

Nays—6.

Berkeley.	Miller.
Cunningham.	Wirtz.
Martin.	Witt.

Present—Not Voting.

Greer.	Woodward.
Stevenson.	

Absent.

Parrish.	Westbrook.
Pollard.	

Absent—Excused.

Hardin.	Neal.
Moore.	

Senator Wirtz sent up the following amendment:

Amend H. B. No. 153 by striking out of section 22, the following: "Such foreign title companies will not be required to pay a franchise tax."

WIRTZ.

The amendment was read.

On motion of Senator Hornsby the amendment was tabled.

Senator Wirtz sent up the following amendment:

Amend H. B. No. 153 by striking out section 17, and renumbering the following sections accordingly.

WIRTZ.

The amendment was read.

On motion of Senator Hornsby the amendment was tabled.

The bill was passed to third reading by the following vote:

Yeas—20.

Beck.	Martin.
Berkeley.	McFarlane.
Cousins.	Miller.
DeBerry.	Parr.
Gainer.	Patton.
Greer.	Russek.
Holbrook.	Small.
Hornsby.	Stevenson.
Hyer.	Williamson.
Love.	Woodul.

Nays—4.

Cunningham.	Wirtz.
Thomason.	Woodward.

Absent.

Parrish.	Westbrook.
Pollard.	Witt.

Absent—Excused.

Hardin.	Neal.
Moore.	

On motion of Senator Williamson the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 153 was put on its third reading and final passage, by the following vote:

Yeas—26.

Beck.	Miller.
Berkeley.	Parr.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Russek.
Gainer.	Small.
Creer.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Witt.
Martin.	Woodul.
McFarlane.	Woodward.

Nays—1.

Wirtz.

Absent.

Pollard.

Absent—Excused.

Hardin.

Moore.

Neal.

The bill as amended was read third time and finally passed by the following vote:

Yeas—22.

Beck.	Berkeley.
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Cousins.	Miller.
DeBerry.	Parr.
Gainer.	Parrish.
Greer.	Patton.
Holbrook.	Russek.
Hornsby.	Small.
Hyer.	Stevenson.
Love.	Williamson.
Martin.	Witt.
McFarlane.	Woodul.

Nays—5.

Cunningham.	Wirtz.
Pollard.	Woodward.
Thomason.	

Absent.

Westbrook.

Absent—Excused.

Hardin.	Neal.
Moore.	

#### House Bill No. 276.

The Chair laid before the Senate on second reading the following bill:  
By Mr. Hopkins:

H. B. No. 276, A bill to be entitled "An Act to provide for the payment of actual and necessary expenses of official and deputy official shorthand reporters which actually engaged in the manner of payment of such expenses by the several counties of the judicial districts, and declaring an emergency."

The bill was read second time and passed to third reading.

On motion of Senator McFarlane the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 276 was put on its third reading and final passage, by the following vote:

Yeas—28.

Beck.	Parr.
Berkeley.	Parrish.
Cousins.	Patton.
Cunningham.	Pollard.
DeBerry.	Russek.
Gainer.	Small.
Greer.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

**Absent—Excused.**

Hardin.                      Neal.  
Moore.

The bill was read third time and finally passed by the following vote:

**Yeas—28.**

Beck.	Parr.
Berkeley.	Parrish.
Cousins.	Patton.
Cunningham.	Pollard.
DeBerry.	Russek.
Gainer.	Small.
Greer.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

**Absent—Excused.**

Hardin.                      Neal.  
Moore.

**Senate Bill No. 149.**

The Chair laid before the Senate as special order the following bill:

S. B. No. 149, A bill to be entitled "An Act regulating the placing of names of candidates on the ballot in primary elections of political parties; enacting provisions designed to secure party loyalty before a person shall have his name printed on the ballot in primary elections of political parties as a candidate; providing remedies and penalties to carry out the purpose of this Act, and declaring an emergency."

Senator Love raised the point of order that a similar bill had been killed in the House, and that further consideration of this bill should be indefinitely postponed. The point of order was sustained.

**Executive Session.**

At 3:00 o'clock p.m., at the conclusion of the morning call, the Chair announced that the hour for the executive session to consider nominations by the Governor had arrived. The Chamber was cleared and the doors were locked.

**After Executive Session.**

At the conclusion of the executive session, the Secretary of the

Senate informed the Journal Clerk that the following action had been taken:

Committee Room,  
Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Governor's Nominations, recommend that the request made by the Governor in his letter of February 7, that the name of T. L. Wilcox, which was formerly confirmed, be changed to his proper name, Frank L. Wilcox.

Respectfully submitted,  
WILLIAMSON, Chairman.

The committee report was adopted. Numerous notaries public were confirmed.

(See immediately following last day's Journal.)

**Free Conference Committee Report.**

Senator Small sent up the following committee report:

Committee Room,  
Austin, Texas, Feb. 12, 1929.

To the  
Hon. Barry Miller, President of the Senate, and the  
Hon. W. S. Barron, Speaker of the House of Representatives.

Sirs: We, your conference committee appointed to consider the difference between the two Houses on S. B. No. 150, A bill to be entitled "An Act to confirm and validate all patents and awards issued on lands lying across or partly across or abutting on water courses or navigable streams or the beds or abandoned beds thereof, or parts thereof, and to relinquish, quitclaim and grant to patentees and awardees and their assignees all of such lands, and minerals therein contained, across or abutting on water courses or navigable streams and also the beds or abandoned beds thereof, etc., and declaring an emergency."

Have had a full and free conference, have agreed to recommend and do recommend as follows:

That the Senate concur in the amendments as offered by the House, all of which is respectfully submitted.

SMALL,  
WOODWARD,  
PARRISH,  
THOMASON,  
PATTON.

On the part of the Senate.



WOODALL,  
STOREY,  
YOUNG,  
CHASTAIN,  
MURPHY.

On the part of the House.

The committee report was read and adopted by the following vote:

Yeas—26.

Beck.	Parrish.
Berkeley.	Patton.
Cousins.	Pollard.
Cunningham.	Russek.
DeBerry.	Small.
Gainer.	Stevenson.
Greer.	Thomason.
Holbrook.	Westbrook.
Hornsby.	Williamson.
Hyer.	Wirtz.
Love.	Witt.
Martin.	Woodul.
Parr.	Woodward.

Nays— 2.

McFarlane. Miller.

Absent—Excused.

Hardin. Neal.  
Moore.

#### House Bill No. 195.

Senator Cousins received unanimous consent to take up out of its regular order the following bill:

By Mr. Quinn:

H. B. No. 195, A bill to be entitled "An Act providing that all sales of real estate for the collection of delinquent taxes due thereon shall be made only after foreclosure of tax lien securing same in accordance with existing laws governing delinquent tax foreclosure suits."

The rule requiring committee reports to lie over one day was suspended by unanimous consent.

The committee report was adopted.

The bill was read second time and passed to third reading.

On motion of Senator Cousins the constitutional rule requiring bills to be read on three several days was suspended and H. B. No. 195 was put on its third reading and final passage, by the following vote:

Yeas—28.

Beck.	Cunningham.
Berkeley.	DeBerry.
Cousins.	Gainer.

Greer.	Pollard.
Holbrook.	Russek.
Hornsby.	Small.
Hyer.	Stevenson.
Love.	Thomason.
Martin.	Westbrook.
McFarlane.	Williamson.
Miller.	Wirtz.
Parr.	Witt.
Parrish.	Woodul.
Patton.	Woodward.

Absent—Excused.

Hardin. Neal.  
Moore.

The bill was read third time and finally passed by the following vote:

Yeas—28.

Beck.	Parr.
Berkeley.	Parrish.
Cousins.	Patton.
Cunningham.	Pollard.
DeBerry.	Russek.
Gainer.	Small.
Greer.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

Absent—Excused.

Hardin. Neal.  
Moore.

#### Senate Bill No. 3.

The Chair laid before the Senate as special order the following bill:

S. B. No. 3, A bill to be entitled "An Act declaring the permanent policy of the people of Texas and the Legislature thereof with reference to public free schools, and for the purpose of promoting the public school interests of Texas, etc."

The bill was read second time.

Senator Wirtz offered as a substitute the following bill:

By Senator Wirtz:

S. B. No. 3, A bill to be entitled "An Act appropriating \$1,500,000 per year or so much thereof as may be necessary for the next two fiscal years for the purpose of promoting rural school education and equalizing the school opportunities afforded by the State to all children of scholastic age living in small and financially weak districts;

authorizing the State Board of Education and the State Superintendent of Public Instruction to aid such schools in accordance with conditions herein specified; providing certain prerequisites for the granting of such aid; providing for the maintenance of all rural schools which meet the requirements of this act, a term of not exceeding six months out of the State and county school funds; providing aid for schools where extraordinary conditions prevent schools meeting all stated requirements; providing limited equipment for rural schools that will afford instruction and demonstration in home and farm vocations; providing assistance in the formation and maintenance of rural high schools districts according to a county-wide plan, and providing for the payment out of this appropriation of the consolidation bonus authorized by the Fortieth Legislature, Senate Bill No. 7, General Laws of the State of Texas, to districts which were denied the benefits of said bonus; providing for the use of an amount not to exceed One Hundred Thousand (\$100,000.00) Dollars for the payment of each year of high school tuition of rural school pupils according to the provisions of Chapter 181, General Laws of the State of Texas, Fortieth Legislature, regular session; providing for the administration of the funds appropriated herein by the State Board of Education and the State Superintendent of Public Instruction; providing for the manner of payment and disbursement of all moneys granted under the provisions of this Act; repealing all laws and parts of laws in conflict herewith and declaring an emergency."

The substitute was read.

Senator Greer moved to table the substitute. The motion prevailed by the following vote:

Yeas—17.

Beck.	Moore.
Berkeley.	Parr.
Cunningham.	Parrish.
DeBerry.	Pollard.
Gainer.	Small.
Greer.	Stevenson.
Holbrook.	Thomason.
Hyer.	Westbrook.
McFarlane.	

Nays—5.

Hornsby.	Love.
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Miller.  
Russek.

Wirtz.

Absent.

Cousins.  
Hardin.  
Martin.  
Patton.

Williamson.  
Witt.  
Woodul.  
Woodward.

Absent—Excused.

Neal.

Senator Love sent up the following substitute for the bill:

By Senator Love:

S. B. No. 3, A bill to be entitled "An Act to create the State Rural Aid School Fund, and to provide for the promotion of the Public School interests of rural schools and to equalize the educational opportunities of all school children living in small and financially weak school districts, and providing for the distribution of the State Rural Aid School Fund, and declaring an emergency."

The substitute was read.

Senator Pollard moved to table the substitute. The motion prevailed by the following vote:

Yeas—16.

Beck.  
Cousins.  
Cunningham.  
DeBerry.  
Gainer.  
Greer.  
Hornsby.  
Hyer.

McFarlane.  
Parr.  
Parrish.  
Patton.  
Pollard.  
Small.  
Thomason.  
Woodward.

Nays—9.

Berkeley.  
Holbrook.  
Love.  
Martin.  
Miller.

Russek.  
Stevenson.  
Westbrook.  
Wirtz.

Absent.

Hardin.  
Williamson.

Woodul.

Absent—Excused.

Neal.

(Pair Recorded.)

Senator Witt (present), who would vote nay with Senator Moore (absent), who would vote yea.

Senator Witt sent up the following amendment:

Amend S. B. No. 23, page 2, line

24, by adding after the word "months" the words "if possible and practicable, but in no event shall any school have a term of less than six months."

The amendment was read and adopted.

Senator Wirtz sent up the following amendment:

Amend S. B. No. 3 by striking out of Section 2 the figures \$5,000,000 wherever they appear and insert the figures \$2,000,000 in lieu thereof.

WIRTZ.

The amendment was read.

Senator Greer moved to table the amendment. The motion prevailed by the following vote:

Yeas—15.

Beck.	Love.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Thomason.
Greer.	Westbrook.
Holbrook.	Witt.
Hornsby.	Woodward.
Hyer.	

Nays—8.

Berkeley.	Parrish.
Martin.	Small.
Miller.	Stevenson.
Parr.	Wirtz.

Absent.

Cousins.	Williamson.
Russek.	Woodul.

Absent—Excused.

Hardin. Neal.

(Pair Recorded.)

Senator McFarlane (present), who would vote no with Senator Moore, (absent), who would vote yea.

Senator DeBerry sent up the following amendment:

Amend S. B. No. 3 by striking out the words "nine dollars" in line 24, page 12 and insert the words "seven dollars and fifty cents."

DeBERRY.

The amendment was read and adopted.

#### Messages From the House.

The Chair recognized the Door-keeper, who introduced a messenger from the House with the following messages:

Hall of the House of Representatives,  
Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following bills:

S. B. No. 13, A bill to be entitled "An Act to amend Section 1 of Article 326g, Chapter 74, Title 15, Revised Civil Statutes of 1927, providing for increase of salaries of one assistant district attorney and one stenographer in certain counties, and repealing all laws and parts of laws in conflict therewith; and declaring an emergency."

With amendments.

By Senator Woodward:

S. B. No. 29, A bill to be entitled "An Act to amend Article 4655 of the Revised Civil Statutes of the State of Texas of 1925, by adding thereto the following, to-wit: "provided, however, that when any writ of injunction is accompanied with a true and correct copy of plaintiff's petition, it shall not be necessary for the citation in the original suit to be accompanied with a copy of plaintiff's petition nor contain any statement of the nature of plaintiff's demand; but it shall be sufficient for said citation to refer to plaintiff's cause of action as set forth in a true and correct copy of plaintiff's petition which accompanies the writ of injunction, and declaring an emergency."

By Senator Woodward:

S. B. No. 32, A bill to be entitled "An Act to amend Article 1020 of the Code of Criminal Procedure of the State of Texas for 1925 so as to provide that in cases where an examining trial is held charging the offense of murder, rape, burglary, burglary of a private residence, theft of property of the value of fifty (\$50.00) dollars or over, or robbery, and the defendant is thereafter indicted by the grand jury, the examining trial fees of the sheriff shall be the same as provided by Articles 1029 and 1030 of the Code of Criminal Procedure for executing process, and declaring an emergency."

By Mr. Tillotson:

H. B. No. 7, A bill to be entitled "An Act to provide authority to the State Highway Commission to select and maintain temporary detour roads through counties where construction

of designated parts of the State highway system is being carried on, and setting forth the duties of the Commission and of the counties therewith; and providing authority to county commissioners courts to select and maintain temporary detour roads in the county where construction of any public road is being carried on, not part of the State system of designated highways, and setting forth the duties of the commissioners' court therewith."

By Senator Woodward:

S. B. No. 33. A bill to be entitled "An Act providing that when a person is convicted of a felony and the punishment assessed is only a fine or a jail sentence, or both, that the judgment may be satisfied in the same manner as a conviction for a misdemeanor is by law satisfied, and declaring an emergency."

By Senator Woodward:

S. B. No. 34. A bill to be entitled "An Act to amend Article 1557 of Chapter 17, Title 17, of the Penal Code of the State of Texas of 1925, and declaring an emergency."

With amendments.

Respectfully submitted,

LOUISE SNOW PHINNEY,

Chief Clerk, House of Representatives.

#### Motion to Concur.

On motion of Senator Woodward the Senate voted to concur in the House amendments to S. B. No. 34 by the following vote:

Yeas—30.

Beck.	Parr.
Berkeley.	Moore.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Russek.
Greer.	Small.
Hardin.	Westbrook.
Holbrook.	Williamson.
Hornsby.	Wirtz.
Hyer.	Stevenson.
Love.	Thomason.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

Absent—Excused.

Neal.

#### Motion to Concur.

On motion of Senator Hyer the Senate voted to concur in the House

amendments to S. B. No. 13 by the following vote:

Yeas—30.

Beck.	Moore.
Berkeley.	Parr.
Cousins.	Parrish.
Cunningham.	Patton.
DeBerry.	Pollard.
Gainer.	Russek.
Greer.	Small.
Hardin.	Stevenson.
Holbrook.	Thomason.
Hornsby.	Westbrook.
Hyer.	Williamson.
Love.	Wirtz.
Martin.	Witt.
McFarlane.	Woodul.
Miller.	Woodward.

Absent—Excused.

Neal.

#### Motion to Print.

On motion of Senator Wirtz the correct substitute for S. B. No. 129 was ordered printed in the Journal in order that it might be considered in connection with the minority report on S. B. No. 129.

(See Appendix.)

#### House Bills Referred.

H. B. No. 7 was read and referred to Committee on State Highways and Motor Traffic.

#### Invitation Extended.

The Chair laid before the Senate the following communication:

Austin, Texas, Feb. 13, 1929.  
To the members of the State Senate and House of Representatives:  
Greetings:

In the name of George W. Littlefield Camp, Sons of Confederate Veterans, I am extending to you a most cordial invitation to attend a reception and ball, to be held in the Driskill Hotel, Friday evening, February 15, beginning at eight o'clock promptly. We shall be very pleased to have each member attend, accompanied by members of their families. This invitation has been extended to Daughters of the Confederacy, and their families, to Confederate Veterans and their Wives, and to the Children of the Confederacy. An interesting program will be rendered, following the reception. After the reception and program, dancing will be the order of the evening.

(Signed) Mark Marshall,  
Commander George W. Littlefield  
Camp, S. C. V.

#### Adjournment.

On motion of Senator Cunningham, the Senate, at 4:35 o'clock p. m., adjourned until 10:00 o'clock Thursday morning.

### APPENDIX

#### Petitions and Memorials.

Dallas, Texas, Feb. 12, 1929.  
To the Honorable Thomas B. Love,  
State Senator, and Representatives Ray Holder, John E. Davis, Jack Keller, W. T. Savage, Chas. McCombs and George Purl.  
Gentlemen:

We the undersigned citizens and voters of Dallas County respectfully urge you to use your best efforts to reduce the automobile highway tax to the lowest possible figure that will keep the Highway Department self supporting.

We believe that the license plate should be issued for identification only and that all revenue should be derived from the tax on gasoline, thereby equalizing the cost to all automobile owners.

In the gasoline tax we feel that the owner of an automobile pays for the use of the roads in proportion to the mileage actually travelled.

Respectfully submitted,  
Tax Assessor, Dallas County,  
Texas.

(Numerously signed.)

Carthage, Texas, Feb. 11, 1929.  
Hon. Bob Barker Secretary of Senate.

Dear Mr. Barker:

I have received a copy of the personal resolutions which were adopted by your honorable body concerning my illness and absence from the Senate Chamber. This resolution might be a scrap of paper to some, but to me it is more than a message of good cheer. It is both meat and drink to my body and solace to my soul. I have been greatly strengthened and determined to get well by your assurance of sympathy and friendly concern.

I trust that the day is not far dis-

tant when I shall be able to return to my post of duty, which I hold in the most sacred regard of any duty that I may have at this time.

Sincerely yours,

MARGIE E. NEAL,  
State Senator, 2nd. Dist.

#### Committee on Engrossed Bills.

Committee Room,  
Austin, Texas, Feb. 12, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had S. B. No. 321 carefully examined and compared, and find the same correctly engrossed.

WESTBROOK, Chairman.

Committee Room,  
Austin, Texas, Feb. 12, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had S. B. No. 190 carefully examined and compared, and find the same correctly engrossed.

WESTBROOK, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had S. B. No. 314 carefully examined and compared, and find the same correctly engrossed.

WESTBROOK, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had S. B. No. 425 carefully examined and compared, and find the same correctly engrossed.

WESTBROOK, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had S. B. No. 412 carefully examined and compared, and find the same correctly engrossed.

WESTBROOK, Chairman.

**Committee on Enrolled Bills.**

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 291 carefully examined and compared, and find the same correctly enrolled, and have this day, at 11 o'clock a. m., presented the same to the Governor for his approval.

WITT, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. B. No. 310 carefully examined and compared, and find the same correctly enrolled, and have this day, at 11 o'clock, a. m., presented the same to the Governor for his approval.

WITT, Chairman.

**Committee Reports.**

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate,

Sir: We, your Committee on Agricultural Affairs, to whom was referred

S. B. No. 488, a bill to be entitled "An Act creating a pecan experimental station to be located by the Board of Directors of the Agricultural and Mechanical College, within the native pecan growing area of Texas, and providing that said Board may receive voluntary donations therefore, and making an appropriation for the establishment of the same and declaring an emergency."

Have had same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass as amended by the Committee.

Respectfully submitted,  
CUNNINGHAM, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic, to whom was referred

S. B. No. 478, a bill to be entitled "An Act to amend Article 725, Re-

vised Civil Statutes of Texas, 1925, so as to authorize the refunding of county road bonds and road district bonds."

Have had same under consideration and beg to report it back to the Senate with the recommendation that it do pass.

WITT, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic, to whom was referred

S. B. No. 413, a bill to be entitled "An Act defining motor carriers and placing such Motor Carriers under the regulation of the Railroad Commission of Texas, etc."

Have had the same under consideration and beg to report it back to the Senate with the recommendation that it do pass with the following Committee Amendments:

Committee amendment No. 1.

Amend S. B. No. 413, Section 7, line 5 by striking out "\$10.00" and inserting in lieu thereof "\$5.00."

Committee Amendment No. 2.

Amend S. B. No. 413, Section 17 (a) by striking out "\$10.00" and inserting in lieu thereof "\$15.00."

WITT, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic, to whom was referred

S. B. No. 458, A bill to be entitled "An Act to prove for a lien upon any motor vehicle, tractor, trailer or semi-trailer for the payment of all registration fees, required by law, etc."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

WITT, Chairman.

Committee Room,  
Austin, Texas, Feb. 13, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic, to whom was referred

S. B. No. 467, A bill to be entitled "An Act to amend Chapter 39 of the Local and Special Laws enacted by the Thirty-second Legislature, same being a special road law for Fisher County, etc."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, and be not printed.

WITT, Chairman.

Committee Room.

Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic to whom was referred

H. B. No. 523, A bill to be entitled "An Act to levy and collect annually a \$3.00 road tax against all able-bodied male citizens of Childress County, Texas."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, and be not printed.

WITT, Chairman.

Committee Room.

Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic to whom was referred

H. B. No. 557, A bill to be entitled "An Act to amend Chapter 78 of the Local and Special Laws created by the Thirty-sixth Legislature, 1919, same being a special road law for Erath county, etc."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

WITT, Chairman.

Committee Room,

Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic, to whom was referred

H. B. No. 565, A bill to be entitled "An Act to levy and collect annually a \$4.30 road tax against all able-bodied male citizens of Foard County, Texas."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, and be not printed.

WITT, Chairman.

Committee Room,

Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Civil Jurisprudence, to whom was referred

H. B. No. 195, A bill to be entitled "An Act providing that all sales of real estate for the collection of delinquent taxes due thereon shall be made only after foreclosure of tax lien securing same in accordance with existing laws governing delinquent tax foreclosure suits; repealing all laws in conflict herewith; and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, and be not printed.

WOODWARD, Chairman.

Committee Room,

Austin, Texas, Feb. 12, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Criminal Jurisprudence, to whom was referred

S. B. No. 194, A bill to be entitled "An Act repealing Article 693 of the Penal Code of the State of Texas, as recodified and adopted at the Regular Session of the Thirty-ninth Legislature, 1925, making it a misdemeanor for any person to give or deliver, or cause to be given, or delivered, or be in any way concerned in the gift or delivery of any spirituous vinuous, malt or intoxicating liquors to any person under the age of twenty-one years, without the consent of the parent or guardian of such minor; and further prohibiting any person as the agent of any common carrier, or any person as the agent of any other person, firm or corporation from delivering such liquors to any person under the age of twenty-one years, without the written consent of the parent or guardian of such minor; and declaring an emergency."

Have had the same under consideration, and I am instructed to re-

port it back to the Senate with the recommendation that it do not pass.

MILLER, Chairman.

Committee Room,

Austin, Texas, Feb. 12, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Criminal Jurisprudence, to whom was referred

S. B. No. 362, A bill to be entitled "An Act amending Article 1558 of the Penal Code of 1925, relating to the removal and disposition of mortgaged personal property; and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass.

MILLER, Chairman.

Committee Room,

Austin, Texas, Feb. 12, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Criminal Jurisprudence, to whom was referred

S. B. No. 402, A bill to be entitled "An Act to amend Title 17, Chapter 1, of the Penal Code of the State of Texas and to amend Article 1306 of said Title and Chapter, and to amend Article 1316 of said Title and Chapter defining an attempt at arson and providing a penalty for violation of Article 1316 and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass.

MILLER, Chairman.

Committee Room,

Austin, Texas, Feb. 12, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Criminal Jurisprudence, to whom was referred

S. B. No. 428, A bill to be entitled "An Act amending Article 804, Chapter 1, Title 13 of the Revised Criminal Code of 1925; providing that such penalty shall not apply to any person, firm or corporation, operating during the month of January a motor vehicle that has been duly registered for the next preceding

S. B. No. 267, A bill to be entitled

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass.

MILLER, Chairman.

Committee Room,

Austin, Texas, Feb. 12, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Criminal Jurisprudence to whom was referred

S. B. No. 463, A bill to be entitled "An Act to suppress mob violence and by defining a 'mob' and a 'lynching,' and providing for the apprehension and punishment of persons participating therein; by empowering the Governor and making it his duty to investigate all cases of mob violence and lynchings; by making it the duty of the attorney general to assist in prosecuting persons participating in such crimes; and by providing for change of venue in all cases, civil or criminal, growing out of such mob violence or lynchings and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass.

MILLER, Chairman.

Committee Room,

Austin, Texas, Feb. 12, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on Criminal Jurisprudence to whom was referred

S. B. No. 58, A bill to be entitled "An Act to amend Articles 612 and 613 of the Code of Criminal Procedure concerning the mode of testing jurors in criminal cases, and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

MILLER, Chairman.

Committee Room,

Austin, Texas, Feb. 12, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your committee on Criminal Jurisprudence to whom was referred

"An Act to provide for increasing year."



persons upon their second or subsequent conviction of a felony, and repealing articles 62 and 63 of the Penal Code, and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

MILLER, Chairman.

Committee Room,  
Austin, Texas, Feb. 12, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your committee on Criminal Jurisprudence to whom was referred

S. B. No. 131, A bill to be entitled "An Act the better to secure persons accused of crime by defining the offenses of "Escape" "Attempt to escape" and "Jumping bail," and fixing the penalties therefor, and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

MILLER, Chairman.

Committee Room,  
Austin, Texas, Feb. 12, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your committee on Criminal Jurisprudence to whom was referred

S. B. No. 265, A bill to be entitled "An Act to amend Article 710 of the Code of Criminal Procedure so as to allow the Prosecuting Attorney and the jury to comment on the failure of defendant to testify, and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

MILLER, Chairman.

Committee Room,  
Austin, Texas, Feb. 12, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your committee on Criminal Jurisprudence to whom was referred

H. B. No. 26, A bill to be entitled "An Act making it unlawful for the fraudulent taking of cotton and cotton seed under the value of Fifty (\$50.00) Dollars making the first offense a misdemeanor and the second and subsequent offenses a fel-

ony, and prescribing punishment therefor and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass.

MILLER, Chairman.

Committee Room,  
Austin, Texas, Feb. 12, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your committee on Criminal Jurisprudence to whom was referred

H. B. No. 84, A bill to be entitled "An Act forbidding drinking of intoxicating liquor on any common carrier and to amend Art. 478 of the Criminal Code."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass.

MILLER, Chairman.

Committee Room,  
Austin, Texas, Feb. 12, 1929.  
Hon. Barry Miller, President of the Senate.

Sir: We, your committee on Agriculture to whom was referred

H. B. No. 16, A bill to be entitled "An Act to establish and maintain an agricultural experiment station in Texas, authorizing the Board of Directors of the Agricultural and Mechanical College of Texas to select a suitable location for said Station, and empowering said Board of Directors to establish and maintain the same, to accept donations of land, water and money for the establishment of said Station, making an appropriation to pay the cost of establishing said Station, and for the operation of same, and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed in the journal.

CUNNINGHAM, Chairman.

By Westbrook et al. H. B. No. 16.

#### A BILL To Be Entitled

An Act to establish and maintain an Agricultural Experiment Station in Texas, authorizing the Board of Directors of the Agri-

cultural and Mechanical College of Texas to select a suitable location for said Station, and empowering said Board of Directors to establish and maintain the same, to accept donations of land, water, and money for the establishment of said Station, and declaring an emergency."

Be it enacted by the Legislature of the State of Texas:

Section 1. That the Board of Directors of the Agricultural and Mechanical College of Texas, are hereby authorized and empowered to establish and maintain an Agricultural Experiment Station in Texas, for the purpose of making scientific investigations and experiments in the study of dairying and dairy problems applicable to that region, the study of economics in the production and utilization of feeds, including grazing and feeding, and for the purpose of studying the other impending agricultural problems of that region relating to the dairy industry.

Sec. 2. The Board of Directors of the Agricultural and Mechanical College of Texas are hereby authorized and empowered to secure a suitable site for the location of said Agricultural Experiment Station, to be located in Texas. The said Board of Directors are authorized to accept donations of land, water and money for the establishment and maintenance of said Station, and to use the appropriations herein made for the purchase of suitable lands and the erection of necessary buildings and equipment.

Sec. 3. The Agricultural Experiment Station herein provided for shall be under the general direction and supervision of the Board of Directors of the Agricultural and Mechanical College of Texas, and be operated and conducted by the Directors of Experiment Stations as all other State Experiment Stations are now conducted.

Sec. 4. The fact that milk production is now generally recognized as the most feasible and practicable method of bringing about that diversification of agriculture in Texas which is so necessary to the economic well-being of that vast region, and the further fact that most of the farmers of said region, many thousands of whom are now entering the business of producing milk for the first time, are not fully ac-

quainted with the best accepted methods of dairy farming, creates an emergency and an imperative public necessity requiring the suspension of the Constitutional Rule which requires all bills to be read on three several days, and this Rule is hereby suspended, and this Act shall take effect and be in force from and after its passage, and it is so enacted.

Committee Room,

Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Highways and Motor Traffic, to whom was referred

S. B. No. 454, a bill to be entitled "An Act authorizing the State Highway Department of the State of Texas to audit the fees collected by tax collectors for the registration of motor vehicles, etc."

Have had the same under consideration and beg to report it back to the Senate with the recommendation that it do pass, and be printed in the Journal.

WITT, Chairman.

By Pollard.

S. B. No. 474.

#### A BILL

#### To Be Entitled

An Act authorizing the State highway Department of the State of Texas to audit the fees collected by tax collectors for the registration of motor vehicles, tractors, trailers, semi-trailers, or other vehicles or for the transfer thereof, and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. The Highway Department of the State of Texas is hereby given authority to audit, or through any of its employees to have audited the fees collected by tax collectors for the registration of motor vehicles, tractors, trailers, semi-trailers, or other vehicles or for the transfer thereof.

Sec. 2. The fact that the Highway Department at this time does not have authority to audit the highway funds and collections creates an emergency and an imperative public necessity that the Constitutional Rule requiring all bills to be read on three several days be suspended, and the same is hereby suspended, and that this Act

take effect and be in force from and after its passage, and it is so enacted.

Committee Room.

Austin, Texas, Feb. 13, 1929.

Hon. Barry Miller, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred S. B. No. 59, a bill to be entitled "An Act to amend Article 2324 of the Revised Civil Statutes, of 1925, providing the duties of official court reporters in this State; and to amend Article 2326 of the Revised Civil Statutes, of 1925, fixing the compensation of official shorthand reporters in each judicial district in this State, and the official shorthand reporter of any county court, either civil or criminal, in this State, and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and that it be printed in the Senate Journal and not otherwise.

WIRTZ, Chairman.

By Senator Martin.

An Act to amend Article 2324 of the Revised Civil Statutes, of 1925, providing the duties of official court reporters in this State; and to amend Article 2326 of the Revised Civil Statutes, of 1925, fixing the compensation of official shorthand reporters in each judicial district in this State, and the official shorthand reporter of any county court, either civil or criminal, in this State, and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. That on and after the passage of this Act, each official court reporter in this state shall:

Attend all sessions of the court, take full shorthand notes of all oral testimony offered in every case tried in said court, together with all objections to the admissibility of the evidence, the rulings and remarks of the court thereon, and all exceptions thereto; also take full shorthand notes of all arguments of attorneys before the jury in every case so reported, unless the reporting of such arguments be waived by the attorneys in the case.

Preserve all shorthand notes taken in said court for future use or

reference for a full year, and furnish to any person a transcript in question and answer form or narrative form of all such evidence or other proceedings, or any portion thereof as such person may order, upon the payment to him of the fees provided by law.

When any party to any suit reported by any such reporter shall desire a transcript of the evidence in said suit, said party may apply for same and shall indicate whether he desires same in question and answer form or in narrative form. In the event such transcript shall be ordered in question and answer form, then such reporter shall make the same up in duplicate in question and answer form, and shall receive as compensation therefor the sum of fifteen cents per hundred words for the original. In the event said transcript should be ordered made in narrative form, then such reporter shall make up same in duplicate in narrative form and shall receive as compensation therefor the sum of twenty cents per hundred words for the original. In the event a transcript of the argument or arguments of the attorneys in such suit shall be ordered such reporter shall make up a transcript of such portion or portions thereof as may be so ordered, and receive as compensation therefor the sum of twenty cents per hundred words; Provided that in case any reporter charges more than the fees allowed herein he shall be liable to the person paying the same a sum equal to four times the excess so paid.

Sec. 2. That on and after the passage of this Act, the official court reporter of each judicial district in this State, and the official court reporter of any county court, either civil or criminal, in this State shall receive a salary of two thousand four hundred dollars per annum, in addition to the compensation for transcript fees as provided for in this Act. Said salary to be paid monthly by the commissioners' court of the County, out of the general fund of the County, upon the certificate of the district judge. In judicial districts of this State composed of two or more counties said salary shall be paid monthly by the counties of the district in proportion to the number of weeks

provided by law for holding court in the respective counties in said district; provided, that in a district wherein in any county the term may continue until the business is disposed of, each county shall pay in proportion to the time court is actually held in such county.

Sec. 3. All laws and parts of laws in conflict herewith shall be and the same are hereby repealed.

Sec. 4. The fact that the official reporters of the several courts of this State are inadequately paid, creates an emergency and an imperative public necessity, requiring the constitutional rule which requires that bills be read on three several days, be suspended, and that this Act shall take effect and be in force from and after its passage, and it is so enacted.

### Special Committee Report.

#### SMALL LOAN LEGISLATION

1929 Report of Interim Legislative Small Loan Committee for State of Texas on the Small Loan Problem and the Solution thereof which Provides Cheaper Money for the Masses without Bank Credit, thereby Eliminating the Loan Shark Evil.

#### Foreword.

The gravity of the Small Loan Problem in Texas presents nothing new since the situation here has also characterized at some time every generation everywhere. Emergency needs of the small but necessities borrower without bank credit cause the masses (85%) of our people from time to time to borrow small amounts from any agency whatsoever that offers them temporary relief. Here this small Loan service is provided almost exclusively by the High Rate Lender at the minimum charge of 10 per cent per month in advance or by the Salary Purchase at the minimum charge of 20 per cent per month in advance.

This situation compels our poor but proud little people to be continuously tossed about first in the lap of the dole giving public (Welfare Societies) and then into the clutches of the Loan Shark, with the result that neither or both together are satisfactorily meeting the ever insistent demand for cred-

it in the various communities of our State, especially the urban communities.

Thereupon this most serious social and economic problem was brought forcibly to the attention of the legislature during its 40th session with the result that they promptly responded to this condition by the introduction of Concurrent Resolution No. 8 creating an Interim Legislative Small Loan Committee consisting of five members for investigation and study, and conclusions and recommendations, two from the Senate and three from the House as follows: Senators J. W. Hall, Houston; John W. Bailey, Cuero; and Representatives R. H. Holland, Houston; George C. Purl, Dallas; and Cecil Storey, Vernon, Texas. This Committee herewith and hereafter concerns itself with its investigations, its findings, its conclusions and its recommendations.

#### The Committee.

#### Small Loan Legislation.

To the Honorable, the Texas Legislature.

Pursuant to the powers and duties vested in us by concurrent resolution No. 8, dated June 7, 1927, the Interim Legislative Small Loan Committee was called together by Temporary Chairman Hall at Houston, Texas, September 20, 1927, at 10:00 a. m. No quorum was present at this meeting, thereupon adjournment was effected until 10:00 a. m. September 21, at which time all members of the committee were present except Cecil Storey of Vernon, Texas, and at which time a permanent organization was effected, as follows: Chairman, Senator J. W. Hall, Houston, Texas; Secretary, Representative George C. Purl, Dallas, Texas.

Following the organization, Chairman Hall called on B. P. Panas and Kenneth Krah, President and Secretary-Attorney, respectively of the Society for the Prevention of Usury, for a brief summary of their activities against the Loan Sharks of Houston; and for their solution of the unsolved Small Loan Problem of our State.

Many other leading citizens of Houston and other sections within and without the State contributed

much valuable information during the progress of this hearing.

Many victims of the Loan Shark appeared before us, relating the many and varied conditions in their homes which compelled them to seek financial assistance wherever it could be obtained and at whatever extortionate price demanded by those furnishing the same. The charges demanded from these needy little people without bank credit varied from 120 to 240 per cent per annum and upward. (See Findings page.)

The Loan Sharks were invited to attend and rub elbows with their victims and make their contribution to our committee, and justify, if possible, their charges in the face of the Small Loan Service now enjoyed by many other states at a cost of 1-10 to 1-5 the charges here. To these invitations there was but one response, Mr. E. V. Kennedy, who gave evidence as to the excessive charges and questionable methods employed. (See Transcript.)

Others responding to the joint invitation of the Interim Legislative Small Loan Committee and the Society for the Prevention of Usury were as follows:

JUDGE JAMES S. BALDWIN—Judge James S. Baldwin, Decatur, Illinois, who for years administered the Uniform Small Loan Law in his State;

HON. CHARLES R. NAPIER, Chicago, Illinois—Hon. Charles R. Napier, Chicago, who relentlessly made the fight against the Loan Sharks of Chicago and urged the enactment of the Uniform Small Loan Law in Illinois in 1917.

HON. W. J. JACKSON, Little Rock, Ark.—Hon. W. D. Jackson, State Legislative Chairman Brotherhood of Railway Trainmen of Arkansas, who knows the Small Loan Problems from his crafts viewpoint and particularly how the salary purchasers have preyed upon the railroad men;

HAMILTON G. DEWEESE, Columbus, Ohio—Hamilton G. DeWeese, Columbus, Ohio, who was an Examiner of Small Loan Licenses in the early days of the law in his state and later Field Secretary of the A. I. L. Association, but now Field Secretary of the Legal Reform Bureau, Inc., of

New York, a non-profit membership corporation, supported by membership fees and voluntary contributions and which cooperates with the Associated Charities, Salvation Army, Chamber of Commerce, Board of Trade, Civic Organizations, Labor Organizations, and other social welfare, and commercial organizations which stand for uplift and betterment of living conditions of the masses without bank credit and particularly the elimination of the Loan Shark Evil everywhere.

Our Committee has been greatly enlightened by and through the fund of Small Loan information that has come to it from those who know through investigation and study and from contact and facts and are now ready to proceed with unanimity as to the two-fold purpose of our legislative creation as well as the two-fold purpose that animates us in our deliberations as follows:

FIRST: To examine critically, in the light of generally accepted economical principles, certain typical state laws here and elsewhere prescribing maximums for small loan charges and designed to prevent the exploitation of neccessitous and inexperienced borrowers without bank credit, and to discover wherein some laws have failed and others have succeeded; and

SECOND: To suggest legislative enactment whereby present intolerable small loan conditions may be improved to the great and distinct advantage of the borrower, the lender and the general public, thereby making social and economic justice available to the masses in every community. Our further deliberations disclose with unanimity salient facts with reference to the small loan problem and to small loan conditions here, as follows:

#### Findings.

1. That at the very outset the burden of the duty of our Committee was lightened considerably by reason of the fact that there was no lack of evidence under oath from numerous willing witnesses to show that unnecessary suffering, resulting from extortionate rates, does exist in our State in the business of making small loans to needy borrowers without bank credit, but space for-

bids showing but a few concrete instances illustrating the unconscionable charges collected as follows:

(a) Purl Surgi: Employed at the S. P. R. R. shops. Has family of five. Receives salary of about \$150 per month. Borrowed \$30.00 on his assignment of wages as security from a Loan Company in 1925 and paid interest for three years at \$3.00 per month upon same. (P. R. 41.)

(b) M. M. Solomon: Switchman of the S. P. R. R. Has wife and one child. Regular work makes about \$175 per month. Borrowed all together \$140 on the assignment of his wages on account of the sickness of his wife in 1925 from three different Loan Sharks and paid interest at the rate of \$34.00 per month on same for nearly three years and still owes a principal. (P. R. 49.)

(c) O. H. Leach: Has wife and one child. Works at S. P. R. R. shops. Makes about \$100 per month. Borrowed from the Loan Sharks total of \$130 on account of sickness in family and for two years paid interest at the rate of \$39.00 per month on same. Still owes a principal. (P. R. 56.)

(d) V. E. Hinton: Switchman S. P. R. R. When on extra made \$5.84 a day. Has family of four. Borrowed \$90.00 from Loan Sharks in City of Houston. Paid interest at \$20.00 per month. Still owes principal. (P. R. 65.)

(e) Henry Bolden, Colored: Has family of three. Works at S. P. R. R. shops. April, 1923, borrowed \$21.00 from an Investment Co. Paid \$6.00 interest per month on same. In all has paid \$197 interest and still owes \$21.00 principal. (P. R. 79.)

(f) S. A. Smith: Switchman for S. P. R. R. Co. Has family of five. On account of sickness borrowed in 1918 \$25.00 from a Loan Company on assignment of wages. Paid \$5.00 per month interest on same for about four years. Total amount interest paid was \$260. Failed to pay more and was discharged and still owes a principal. (P. R. 87.)

(g) Chas. Appu, Filipino: Works for S. P. R. R. shops. Has wife and one child. Makes from \$120 to \$130 per month. Borrowed \$20.00 on his assignment of wages from a Loan Company. For two years paid \$100

interest and still owes \$79.00. (P. R. 99.)

(h) Jim Bowen, Colored: Works S. P. shops. Makes about \$100 per month. Borrowed on assignment of wages \$10.00 from a Finance Company. Paid \$3.00 per month for six months. Total \$18.00 and yet owes \$22.00 on same.

2. "That this committee concedes without argument that the situation here requires some remedy; that some legislation is required to meet the demands of the lender and to protect the borrower, and that whatever recommendation this committee makes will be based upon this hypothesis.

3. That the presence of the High Rate Lender and the Salary Purchaser in this State evidences the continuous and insistent need and demand for small loans by the masses without bank credit in every urban community.

4. That the makers of statutory and constitutional maximums have not for years recognized the difference between consumptive and productive loans and made no allowance for difference between bans as to risks, expecting the capitalist to lend to those who put up good security, to those who put up poor security and to those who put up no security at all, at the same maximum rate, six, eight, ten or twelve per cent.

5. That it was this idea that prevented a solution of the Small Loan problem long ago. Had the legislator and the constitution maker gotten away from the idea of prescribing severe penalties for exceeding certain fixed maximums and supplemented the penalties with administrative features which would have forestalled the occurrence of moral usury they would have sought to prevent rather than to cure after the event and to repeat make social and economic justice available to the poor man in every community at the minimum cost.

6. That in the past constitutional and statutory maximum usury laws generally fixed a maximum rate of interest without differentiating between types of loan costs, security and loans where interest is taken out in advance or collected at some future date. Now state legislators recognize differences as to risk, types,

costs and security and have excepted **consumptive loans from control** by the old usury laws and are fixing special maximum charges on such small risky loans, ranging from 8 3-4% to 22 3-4% of the principal sum borrowed, which charge does not exceed the charges under the Morris Plan and similar institutions, when loans are repaid on the monthly balance plan and when interest and charges are paid on unpaid balances at each payment date.

7. That credit is a universal necessity, as vital to the hardworking clerk, artisan, or laborer for small salaries or wages as to great corporations where it is indispensable, and the commercial banks will not provide the credit demanded by these little people, who comprise 85% of our adult population.

8. That this available credit to householders at a sustaining charge in practically every community has eliminated the loan shark evil from that community, as evidenced by the bank commissioners of the various states who license, bond, and supervise said loan companies.

9. That a law carrying anything below a sustaining rate of interest and charges would defeat its own social and economic purpose. The Bank Commissioner of Connecticut writes "That the rate employed there has attracted sufficient capital to provide credit for the needy and will continue to meet their needs only so long as the rate remains high enough."

10. That the only way you can have a law and a loan company thereunder is to employ a rate of interest and charges that will insure the establishment of loan offices. Otherwise, you will have the law and no loan company to operate under it,—a travesty if you please is true of the States of New York and Colorado.

11. That the reason for remedial small loan legislation is to provide for the **legitimate, permanent** and real need for such small loan service in the interest of the **wage earning** classes, who have no other means of securing loans because of **insufficient** commercial bank security, and no friend who can or will accommodate them.

12. That wage earners must borrow money in their locality, loans

are not like merchandise that may be obtained out of town. People without bank credit should be provided with loan service at home, but here the masses are not provided with loan service anywhere and are now only seeking what the 15 per cent have enjoyed for centuries, credit in their community at a sustaining rate only.

13. That commercial banks will not make small loans, unsecured loans, or loans repaid in partial payments. It remains, therefore, for us to provide a place from which this class of borrower may secure loans on terms fair to borrower and lender and repaid on the partial payment plan.

14. That the Russell Sage Foundation's **eight** years survey disclosed the fact that 85% of our population are without bank credit, and that their demands for small loans should be met in a practical way, at a sustaining rate, insures cheaper money for practically all, everywhere.

15. That not a state among the twenty four enjoying the Uniform Small Loan law service has ever reduced the rate or repealed the law, which is a **splendid** public recognition of the necessity for it as well as a **justification** for the rate employed and that the needs of the masses, herein are just as acute as are the needs of the 15%, who can offer acceptable security at the bank and that our social and economic life demands a recognition of this loan service for this distinct classification of borrower without further delay.

16. That because the banker, the farmer and the merchant do not need this small loan legislation, is no reason why the necessitous poor should not enjoy these banking facilities, and that instances are numerous where the small borrower of today becomes the **Commercial bank** depositor of tomorrow, and every banker or business man should see the necessity for giving this down and out-er his chance, even if he fails.

17. That commercial banking takes care of various classes of borrowers, who desire in the main part productive loans but this leaves the masses who desire **consumptive loans** wholly unprovided for and helpless to meet the obligations. He may

owe you and others if he could group his debts and pay all.

18. That the demand and need for small Loans continues whether you meet the problem in a practical way as has been done in other states or whether your inactivity leaves these little people at the mercy of the 10% and 20% per month lenders and that these people who have no bank credit and who must of necessity borrow small sums from whatever source possible, should be the ones to say whether they want this legislation, not those who will never need this loan service because of having bank credit.

19. That the magnificent credit structure built up in this country for the farmer, the manufacturer, the exporters, and the merchants, is older proof of the need of some similar credit structure to provide for the salaried, the wage earning and the tenant farmer groups which in the aggregate make up about 85% of our population and that thousands of salary and wage earners are daily forced into the merciless hands of loan sharks, because this state does not provide adequate credit facilities in every community for those unable to finance their emergencies through banking channels.

20. That industrial banking is helping people of small means to keep their accounts with stores paid up and helping the business and professional man to secure long overdue balances and that many of the loans made possible under the act are a consolidation of debts, a clean-up of all bills, that peace of mind may come after satisfying creditors.

21. That to meet the needs and demands of this distinct class of borrowers without bank credit the High Rate Lender has established himself in all urban communities thereby supplying this need but at an extortionate rate of from 120 to 500 percent per annum and higher and which is willingly paid by people in dire distress because no legitimate lending institution has been provided for them.

22. That the enactment of this legislation elsewhere fixing a rate or charge beyond which a lender cannot go but which is high enough to attract capital sufficient to meet the adequate demands of the needy borrower has safeguarded him and elevated the small loan business to

that sphere of respectability to which it belongs.

23. That this proposed legislation has been approved and accepted practically everywhere by organizations and individuals who have had an opportunity to inform themselves as to its remedial value in every community and has never been repealed nor the rate reduced in any of the 24 states enacting it which is certainly a splendid recognition of the necessity for it as well as a justification of the rate at which loan service is provided.

The above salient facts relating to the small loan problem and existing small loan conditions here, having been fully set forth, we now proceed to the second purpose of our existence; viz., to our conclusions and recommendations as to remedial legislation:

#### Conclusions and Recommendations.

(1) That we must devise a system of legalized small money-lending at a sustaining rate—not a robber's rate—which will induce reputable law-abiding men to enter the legal small loan business; or, be satisfied with the present loan legislation which insures a continuation of the High Rate Lender and the Salary Purchaser.

(2) That the existing intolerable small loan conditions here are no worse than they were at one time in twenty four other states in each of which the masses without bank credit are now enjoying small loan service in every community, where the demand justifies a license.

(3) That the enactment of this constructive remedial Legislation has in these states reduced crime, poverty and suffering and economic waste and the masses therein now feel that social and economic justice has, at last been made available to them as it was long ago to their more fortunate neighbors and friends—the 15% enjoying bank credit.

(4) That no longer will high rate lending parasites drain the strength of their state, leaving in their wake disorder and unrest, but instead a stabilization long past due, will follow the enactment of this remedial legislation.

(5) That the Uniform Small Loan Law, with its administrative



features, is apparently the only known successful solution of the small loan problem and that this law instead of prescribing general statutory maximum for all kinds of loans, commercial investment and consumers' loans, operates only in the field of consumers' small loans, where moral usury typically appears, and moral usury is clearly the evil which usury legislation was enacted to eliminate.

(6) That this Small Loan Law and other special small loan laws have, however, never been called usury laws. They are universally known as Small Loan Laws and are successfully operating in twenty-four States as Small Loan Laws, and in none of which has the law ever been repealed, or the rate reduced to a non-sustaining one. The successful operation of this law is due solely to the fact that the rate of interest attracts sufficient capital to meet the adequate demands for small loans from necessitous borrowers. This small loan service will continue to solve the small loan problem only so long as the rate and charges remain to sustain the business and which rate and charges enable the borrower to save in interest and charges from 97 to 217 per cent per annum on the original sum borrowed.

(7) That the small loan institutions existence in the many States has proven conclusively that their prosperity is inseparably wrapped in the prosperity of every community fortunate enough to have one, and one in your community is almost as great a social and economic necessity as a commercial bank.

(8) That in making our recommendations for reform legislation, we are speaking of a problem in which the human element prevails, and are thinking of men and women in factories, and mercantile establishments, in the shops and factories, railroad men and others and of social and economic justice for them; and, especially of the emancipated womanhood demanding protection from the loan shark and demanding protection for the future mothers of America, who now must toil to live.

(9) That everyone should be interested in this social and economical problem and stand with us in sup-

port of legislation which will make our State a better place in which to live and if we think in terms of humanity, we will think more and more of the welfare of each individual that makes up our complex social state and hasten to establish social justice for them here.

(10) That this legislation rescues the honest but poor man without bank credit from the high rate lenders and permits him to secure loans at approximately 1/10 what he now pays the Salary Purchaser to 1/5 what he now pays the High Rate Lender and that whatever you may personally think of it, it is certainly remedial and timely legislation, looking to a better social and economic condition for the community enjoying small loan service thereunder.

(11) That but two classes of people oppose this remedial legislation; first, those who have not had an opportunity to study the small loan problem from the viewpoint of the man enjoying the loan service; second, those interested directly or indirectly in high rate lending.

(12) That the licensed lender making small loans has no deposits to loan but must loan his own money which fact, together with the risk and expense involved, accounts for the necessarily high charges employed to insure a going concern, but which charges enable the lender to earn only net profits amounting to about one half the net earnings of an average commercial bank. These earnings will vary depending on the community in which the lender operates and the general industrial conditions. This would indicate a rate fair to both borrower and lender.

(13) That the industrial lender who will follow in the wake of this law, finances the small borrower, enabling him to pay the department store, the grocery man, the doctor, the druggist, and the hospital, thereby giving the small borrower peace of mind and each of his creditors a balanced account.

(14) That it is Society's task to see that the Texas Legislature supports means and methods whereby these self respecting needy borrowers usually without collateral, and more often without endorsers, can obtain this Small Loan Service on

reasonable and sustaining terms, that they may meet temporary financial stress without becoming involved in hopeless and continuous greater debt to Loan Sharks, and for us to take any other position with the information at hand would leave us open to charge of completely surrendering the High Rate Lender and the intolerable small loan conditions created by him here.

(15) That we herewith recommend for enactment sound reform legislation such as and similar to the Small Loan Laws now found on the Statute books of some twenty States and which laws embody wealth of restrictive provisions and maximum charges that have made the Russell Sage Foundation Uniform Law in other states a satisfactory solution of the Small Loan Problem and that a law fashioned thereafter will, we believe, do so here.

Respectfully submitted,

HALL, Chairman  
BAILEY  
HOLLAND  
STOREY

**Correct Substitute for S. B. No. 129.**

By Holbrook. S. S. B. No. 129.

#### A BILL

#### To Be Entitled

An Act regulating and imposing duties and restrictions on certain public utilities, providing for the regulation of rates to be charged by public utilities for service rendered, requiring reports to be made by utilities, creating a public utilities commission providing for the appointment of commissioners, fixing their salaries and terms of office, providing for an appeal from the order of a town, city, or municipality, or the failure to Act on the part of the governing body of such municipal corporation in regard to rates charged by said public utilities for service rendered, and providing for the repeal of all laws and parts of laws in conflict with this Act.

Be it enacted by the Legislature of the State of Texas:

#### Article 1.

Section 1. (a) The term "corporation," when used in this Act means a private corporation, an as-

sociation, a joint stock association, or a business trust.

(b) The term "person," when used in this Act, means a natural person, a partnership or two or more persons having a joint or common interest, and a corporation as hereinbefore defined.

(c) The term "public utility," or "utility," as used in this Act means and includes persons, companies and private corporations, their lessees, trustees, and receivers, owning, managing, using, operating, leasing or controlling within this State any wires, pole lines, conduit lines, wells, pipe lines, plant, property, equipment, facility, franchise, license or permit for either one or more of the following kinds of business:

I. Producing manufacturing, or obtaining, transporting, conveying, distributing, or delivering gas—and by gas as used in this Act is meant natural gas, artificial gas, mixed gas, either or all—for public use or service for compensation.

(1) For sale to the public or municipalities or persons or companies, in those cases to which reference is hereinafter made engaged in distributing or selling natural gas to the public, for sale or delivery of gas to any person or firm or corporation operating under franchise or a contract with any municipality or other legal subdivision of this State, or for sale or delivery of gas to the public for domestic or other use.

(2) Owning or leasing or operating or managing or controlling a pipe line for the transportation or carriage of gas whether for public hire or not, if any part of the right of way for said line has been acquired or may hereafter be acquired by the exercise of the right of eminent domain, or if said line or any part thereof is laid upon, over, or under any public road or highway of this State, or street or alley of any municipality or the right of way of any railroad or other public utility; including also any gas utility authorized by law to exercise the right of eminent domain.

(3) Producing or purchasing gas and transporting or causing the same to be transported by pipe line to, into or near the limits of any municipality in which said gas is received and distributed or sold to

the public by the public utility, another public utility or by said municipality.

II. Producing, generating, transmitting, conveying, distributing or delivering electricity for the production of light, heat, or power for public use or service for compensation:

(1) For sale to the public, or to municipalities, or persons or corporation in cases to which reference is hereinafter made, engaged in distributing or selling electricity to the public, for sale or delivery of electricity to any person or firm or corporation operating under franchise or a contract with any municipality or other legal subdivision of this State or for sale or delivery of electricity to the public for domestic or other use.

(2) Owning, leasing, or operating, managing, controlling or using a transmission line, wires, conduits, or other appurtenances for the transportation, carriage or transmission of electricity whether for public hire or not, if any part of the right of way for said transmission lines has been acquired, or may hereafter be acquired by the exercise of the right of eminent domain or if said line or any part thereof is laid upon, over, or under any public road or highway of this State, or street or alley of any municipality or the right of way of any railroad or other public utility including any other utility authorized by law to exercise the right of eminent domain.

(3) Producing or purchasing electric current and transmitting, delivering or causing the same to be transported or delivered by wires, conduit line, or other appurtenances to, into or near the limits of any municipality in which said electricity is received and distributed or sold to the public by the public utility, another public utility or by said municipality.

III. Conveying, carrying, or transmitting messages, conversations or communications by telephone or telegraph where such service is offered to the public for compensation.

(1) Owning, leasing, operating, using or managing or controlling wires, wire lines or conduit lines or other appurtenances for conveying or transmitting messages, conversa-

tions or communications by telephone or telegraph, whether for public hire or not, if any part of the right of way for said lines has been acquired or may hereafter be acquired by the exercise of the right of eminent domain or otherwise or if said lines or any part thereof are laid upon, over or under any public road or highway of this State, or Street or alley of any municipality, or the right of way of any railroad or other public utility, including also any utility authorized by law to exercise the right of eminent domain.

(2) Owning, leasing, operating, managing, controlling, or using wires, wire lines or conduit lines for the purpose of carrying, conveying or transmitting by telephone or telegraph messages, conversations or communications in, into or near the limits of any municipality in which said messages, conversations, or communications are received and transmitted or conveyed to the public by the public utility or by another public utility or by said municipality.

(d) The above definitions are cumulative only and not exclusive, and any person, except a municipal corporation, engaged in any phase of the gas, electric power, electric light, telephone or telegraph business, or anyone or more of such businesses, in such a manner as to be affected with a public interest, is declared to be a public utility and subject to all the provisions of this Act.

(e) The term "public utility" shall, for rate making purpose only include any person as hereinbefore defined producing, generating or furnishing any of the foregoing services to another person for distribution to or for the public for compensation.

(f) The term "public utility" shall not include a municipality or any person not otherwise a public utility, who furnishes the services or commodity only to himself, his employes or tenants when such service or commodity is not resold to or used by others.

(g) The term "rate," when used in this Act, means and includes every compensation, charge, fare, toll, rental, and classification or any of them demanded, observed, charged or collected by any public utility

for any service, product or commodity offered by it to the public or other public utility, and any rules, regulations, practices or contracts affecting any such compensation, charge, fare, toll, rental or classification.

(h) The word "Commission," when used in this Act shall refer to the Public Utilities Commission of this State unless otherwise indicated.

## Article II.

Section 1. A Commission to be known as the "Public Utilities Commission of Texas" is hereby created. It shall consist of three members who shall be appointed by the Governor from the State at large with the approval of the Senate and who shall have the jurisdiction, powers and duties hereinafter set forth. Immediately after this Act takes effect the Governor shall, with the approval of the Senate, appoint one member of the Commission whose term of office shall expire two years after appointment, one member whose term shall expire four years after appointment, and one member whose term shall expire six years after appointment. At the expiration of each of the above named terms there shall be appointed in the same manner one member of the Commission to hold office for the term of six years. Each Commissioner shall hold office until his successor is appointed and qualified. The Governor shall appoint one member chairman of the Commission.

Sec. 2. Before entering upon the duties of this office each commissioner shall take and subscribe to the constitutional oath of office and shall in addition thereto swear that he is not pecuniarily interested directly or indirectly in any public utility as herein defined as employee, stockholder, security holder or bondholder and if any such commissioner thereafter becomes thus pecuniarily interested in any public utility he shall be subject to removal by the Governor and no commissioner shall be eligible to hold any other public office for two years after he has ceased to be a member of such Commission.

Sec. 3. Whenever a vacancy in the office of commissioner occurs, it shall be filled in the manner pro-

vided in Section 1 hereof with respect to original appointments and any person appointed to fill a vacancy shall hold office during the unexpired portion of the term.

Sec. 4. The Commission shall appoint a secretary who shall hold office during its pleasure. It shall be the duty of the secretary to keep a full and true record of all proceedings of the Commission, and to perform such other duties as the Commission may prescribe.

Sec. 5. For the performance of the Commission's duties relative to public utilities, it may appoint, employ or remove such engineers, accountants, statisticians, assistants, inspectors, clerks, examiners, experts and such subordinates as are required therefor, and may appoint on such terms as it may deem advisable counsel and attorneys who are specially skilled in rate matters and such counsel and attorneys shall advise the Commission and represent it in all litigation and court proceedings under the direction of the Attorney General of Texas. The accountants employed by such Commission shall be skilled in the methods of utility accounting and under the direction of the Commission shall supervise the methods by which the accounts of the public utilities are kept in this State. The examiners employed by the Commission may administer oaths, examine witnesses and take evidence under such rules and regulations as the Commission may adopt.

Sec. 6. The annual salary of each Commissioner shall be \$10,000.00. Examiners, attorneys, experts, engineers, statisticians, accountants, inspectors, clerks and other employes of the Commission shall receive such compensation as may be fixed by law, otherwise such compensation shall be fixed by the Commission.

Sec. 7. The salary or compensation of the Commissioners and every person employed by the Commission together with all expenses incurred by the Commission, pursuant to the provisions of this Act, including the actual and necessary traveling and other expenses of the Commissioners and those employed by the Commission, incurred while in the business of the Commission shall be paid from the fund appropriated

for the use of the Commission and other available revenues, such payments to be made as the salaries, compensation and expenses of other State officers and employes are paid.

Sec. 8. The principal office of the Commission shall be in the City of Austin and shall be open daily during usual business hours, Sundays and legal holidays excepted. The Commission shall hold meetings at its principal office and at such other convenient places in the State as may be expedient or necessary for the proper performance of its duties.

Sec. 9. The Commission shall have a seal bearing the following inscription: "Public Utilities Commission of Texas." The seal shall be affixed to all authentications of copies of records and to such other instruments as the Commission shall direct. All courts of this State shall take judicial notice of said seal.

Sec. 10. A majority of the Commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty or for the exercise of any power of the Commission. No vacancy in the Commission shall impair the right of the remaining commissioners to exercise all the powers of the Commission. The act of a majority of the Commissioners shall be the act of the Commission; but any investigation, inquiry or hearing which the Commission has power to undertake, or hold may be undertaken or held by or before any Commissioner or Commissioners, or examiner designated for the purpose by the Commission. The evidence in any investigation, inquiry or hearing may be taken by the Commissioner or Commissioners or examiner to whom such investigation, inquiry or hearing has been assigned. Every finding, opinion and order made by the Commissioner or Commissioners, so assigned, pursuant to such investigation, inquiry or hearing, when approved or confirmed by the Commission shall be the finding, opinion and order of the Commission.

Sec. 11. All decisions and orders of the Commission shall be public records. The Commission shall make and submit to the Governor, on or before the first day of January of each year, a report containing a full and complete account of its transactions and proceedings for the pre-

ceding fiscal year, together with such other facts, suggestions and recommendations as it may deem of value to the people of the State.

### Article III.

Section 1. Under such rules and regulations as the Commission may prescribe, every public utility, as herein defined, shall file with the Commission within such time and in such form as the Commission may designate, schedules showing the rates being charged by such utilities. The utility shall keep copies of such schedules open for public inspection under such rules and regulations as the Commission may prescribe.

Sec. 2. No public utility shall directly or indirectly, by any device whatsoever or in anywise charge, demand, collect or receive from any person a greater or less compensation for any service rendered or to be rendered by such public utility than that prescribed in the schedules of such public utility, applicable thereto, when filed in the manner provided in this Act nor shall any person receive or accept any service from a public utility for a compensation greater or less than that prescribed in such schedules.

Sec. 3. No public utility, shall, as to rates or services, make or grant any preference or advantages to any corporation or person or subject any corporation or person to any prejudice or disadvantage. No public utility shall establish or maintain any unreasonable difference as to rates between localities or as between classes of service. The Commission may determine any question of fact arising under this section.

Sec. 4. Every utility described in this Act is hereby declared to be engaged in a business that is affected with a public interest and is subject to the jurisdiction, control and regulation of the Public Utilities Commission in accordance with the provisions of this Act.

Sec. 5. The original jurisdiction of the Commission shall extend to and include all public utilities subject to the provisions of this Act, owning, managing, operating, leasing, using or controlling any wires, lines, pole lines, conduit, lines, transmission lines, wells, pipe lines, plants, property, equipment or facil-

ities of any kind or character used for the purpose of conducting the business of such utility within this State and not within the regulatory jurisdiction of any incorporated city or town in said State.

Sec. 6. The appellate jurisdiction of the Commission shall extend to and include all public utilities subject to the provisions of this Act, owning, managing, operating, leasing, using or controlling pole lines, transmission lines, wells, pipe lines, plants, property, equipment and facilities of every kind and character in all cases where original jurisdiction is not given it herein.

Sec. 7. The Commission, after due notice to the municipality or municipalities, and to the utility affected, and after due hearing shall fix and establish and enforce the adequate and reasonable price of the commodities furnished by public utilities and fair and reasonable rates of charges and regulations for transmitting, carrying, conveying, producing, transporting, distributing, buying, selling and delivering such commodities by such utilities in this State; and shall establish fair and equitable rules and regulations for the full control and supervision of all wire lines, pole lines, transmission lines, wells, pipe lines, plants, property, equipment and facilities of every kind and character situated outside of the corporate limits of incorporated towns and cities in the State of Texas, together with all the holdings pertaining to the business conducted by such utility in all of its relations to the public as the Commission may from time to time deem proper; and the said Commission is hereby directed and it becomes its duty, as soon as possible after it begins to function, to establish a fair and equitable division of the proceeds of the sale of the commodities sold by the various utilities herein described between the companies transmitting, conveying, transporting, or producing such commodities or communications and the companies distributing or selling such commodities directly to patrons or to other persons or companies to be distributed to individual consumers; and it becomes the duty of the Commission immediately after it is organized to prescribe and enforce

rules and regulations for the government and control of such transmission lines, pipe lines and other property used by the various utilities herein described in producing, receiving, transmitting and distributing their various commodities and to regulate and apportion the supply of such commodities between towns, cities and corporations and when the supply of such commodities and particularly in those instances when such commodities are used by domestic consumers and it shall appear that the supply of such commodities is inadequate, the Commission shall prescribe fair and reasonable rules and regulations requiring such utilities to augment their supply of their commodities and products when in the judgment of the Commission it would be practicable for them to do so; and the Commission shall exercise its power whether upon its own motion or upon petition by any person, corporation, municipal corporation, county or commissioners' precinct showing a substantial interest in this subject, or upon petition of the Attorney General or of any city, county or District Attorney in any county wherein such business or any part thereof may be carried on.

Sec. 8. When the governing body of any incorporated city has ordered any existing rate reduced the utility affected by such order may appeal to the Commission by filing with it on such terms and conditions as the Commission may direct, a petition and bond to review the decision, regulation, ordinance or order of the city, town or municipality. Upon such appeal being taken the Commission shall set a hearing and make such order or decision in regard to the matter involved therein as it may deem just and reasonable. The Commission shall hear such appeal de novo and shall have power to substitute an entirely new rate, change or alter the existing rate, prepare an entirely new rate structure and make such other and further orders as may be consistent with establishing fair and reasonable rates to be charged the patrons in such municipality for the commodity furnished and services rendered by the utility. The Commission may immediately after it has acquired jurisdiction of the appeal suspend the existing rate and es-

establish a temporary rate structure if the circumstances and facts in the case should warrant such action by the Commission. Whenever any utility, whose rates have been fixed by any municipal government, desires a change of any of its rates, rentals or charges it shall make its application to the municipal government where such utility is located and such municipal government shall determine said application within a reasonable time and not to exceed one hundred and twenty days after presentation unless the determination thereof may be longer deferred by agreement. If the municipal government should reject such application or fail or refuse to act on it within said time then the utility may appeal to the Commission as hereinabove provided. The said Commission shall determine the matters involved in any such appeal as it would be practicable to do so after the filing by such utility of such appeal with said Commission, and the rates fixed by the municipal government shall remain in full force and effect until ordered changed or altered as hereinabove provided. In all rate hearings the burden of proof shall be upon the utility.

Sec. 9. If any utility, municipality or other party interested be dissatisfied with the decision of any rate, classification, rule, charge, order, act or regulation adopted by the Commission such dissatisfied utility or party may file a petition in the District Court of the county in which any city is located that has been affected by an order of the Commission concerning rates charged by a utility in such city. Such appeal must be perfected within sixty days from the date of the order of the Commission. If the order made by the Commission should affect the rates charged in more than one city the venue of such action would lie in the District Court of the county in which any of the cities should be located. Said action shall have precedence on the docket over all other causes of a different nature, and said case shall be tried in the same manner as all other civil cases. Either party to said action may have the right of appeal; and said appeal shall be at

once returnable to the appellate court and said action so appealed shall have precedence in said appellate court over all causes of a different character therein pending. If the court be in session at the time such right of action accrues, the suit may be filed during such term and stand ready for trial after ten days' notice.

Sec. 10. Every utility, as defined herein, shall have an office in one of the counties of this State in which its property or some part thereof is located and shall keep in said office all books, accounts, papers, records, vouchers, and receipts which the Commission shall require. No books, accounts, papers, records, receipts, vouchers or other data required by the Commission to be so kept shall be at any time removed from this State except upon such conditions as the Commission may prescribe.

Sec. 11. All orders and agreements of any company or corporation or any person or persons controlling utilities as herein defined, establishing and prescribing prices, rates, rules and regulations and conditions of service, shall be subject to review, revision and regulation by the Commission on hearing after notice as provided for herein to the person, firm, corporation partnership or joint stock association owning or controlling or operating the utility affected.

Sec. 12. No public utility shall discriminate in favor of or against any person, place or corporation either in apportioning the supply of its commodities or its charges therefor. And no public utility described in this Act shall be permitted to conduct its business in this State if it should fail or refuse to subject itself to the jurisdiction of the Commission as provided in this Act.

#### Article 4.

Section 1. The Commission may, after hearing upon reasonable notice had upon its own motion or complaint, ascertain and fix just and reasonable standards, classifications, regulations, practices or service to be furnished, imposed, observed and followed by any or all public utilities; ascertain and fix adequate and reasonable standards for the measurement of quantity, quality, pressure, initial voltage or other con-

dition pertaining to the supply of the product, commodity or service furnished or rendered by any and all public utilities; prescribe reasonable regulations for the examination and testing of such product, commodity, or service and for the measurement thereof; establish or approve reasonable rules, regulations, specifications and standards to secure the accuracy of all meters and appliances for measurement; and provide for the examinations and testing of any and all appliances used for measurement of product, commodity, or service of any utility.

Sec. 2. The Commission may, on hearing after reasonable notice, ascertain and fix the value of the whole or any part of the property of any public utility in so far as the same is material to the exercise of the jurisdiction of the Commission and may make revaluations from time to time and ascertain the value of all new construction, extensions and additions to the property of every public utility.

Sec. 3. The Commission may establish a system of accounts to be kept by the public utilities, subject to its jurisdiction, or may classify said public utilities and establish a system of accounts for each class, and prescribe the manner in which such accounts shall be kept.

Sec. 4. The Commissioners and the officers and employees of the Commission may during all reasonable hours enter upon any premises occupied by any public utility, for the purpose of making the examinations and tests and exercising any power provided for in this Act, and may set up and use on such premises any apparatus and appliances necessary therefor. Such public utility shall have the right to be represented at the making of such examination, tests and inspections.

Sec. 5. The Commission may require any public utility to file annual reports in such form and of such content as the Commission may require and special reports concerning any matter about which the Commission is authorized to inquire or to keep itself informed, or which it is required to enforce. All reports shall be under oath when required by the Commission.

Sec. 6. The Commission may, on

its own motion and whenever it may be necessary in the performance of its duties, investigate and examine the condition and management of public utilities or any particular utility. In conducting such investigations the Commission may proceed either with or without a hearing as it may deem best, but it shall make no order without affording the parties affected thereby a hearing.

Sec. 7. The Commission may, in addition to the hearings specially provided for by this Act, conduct such hearings as may be required in the administration of the powers and duties conferred upon it by this Act and by other acts relating to public utilities. Reasonable notice of all such hearings shall be given the person interested herein.

Sec. 8. All hearings, investigations, and proceedings shall be governed by this Act and by rules of practice and procedure to be adopted by the Commission.

Sec. 9. The Commission and such Commissioner may issue subpoenas, subpoenas duces tecum and all necessary processes in proceedings pending before it, and such processes shall extend to all parts of the State and may be served by any person authorized to serve processes of courts of record.

Sec. 10. The Commission and each of the Commissioners for the purpose mentioned in this Act, may administer oaths, examine witnesses and certify official acts, in case of failure on the part of any person or persons to comply with any lawful order of the Commission, or any Commissioner, or with any subpoena or subpoena duces tecum or in the case of the refusal of any witness to testify concerning any matter on which he may be interrogated lawfully, any court of record of general jurisdiction or a judge thereof, may on application of the Commission or of any Commissioner, compel obedience by proceedings for contempt as in the case of disobedience of the requirements of a subpoena issued from such court or a refusal to testify therein.

Sec. 11. The Commission or any Commissioner or any party to the proceedings may, in any investigation or hearing before the Commission, cause the deposition of wit-



nesses residing within or without the State to be taken in the manner prescribed by law for taking depositions in civil actions.

Sec. 12. No person shall be excused from testifying or from producing any book, document, paper or account in any investigation, or inquiry by, or hearing before, the Commission or any Commissioner when ordered to do so, upon the ground that the testimony or evidence, book, document, paper or account, required of him may tend to incriminate him or subject him to penalty or forfeiture; but no person shall be prosecuted, punished or subjected to any forfeiture of penalty for or on account of any act, transaction, matter or thing concerning, which he shall have been compelled under oath to testify or produce documentary evidence; provided, that no person so testifying shall be exempt from perjury committed by him in his testimony.

Sec. 13. Copies of official documents and orders filed or deposited according to law in the office of the Commission, certified by a Commissioner or by the secretary under the official seal of the Commission to be true copies of the original shall be evidence in like manner as the original, in all matters and proceedings where the originals would be evidence.

Sec. 14. Every order, finding, authorization or certificate issued or approved by the Commissioner under any provisions of this Act shall be in writing and entered on the records of the Commission. A certificate under the seal of the Commission that any such order, finding, authorization or certificate has not been modified, stayed, suspended or revoked, shall be received as evidence in any proceedings as to the facts therein stated.

Sec. 15. Witnesses who are summoned before the Commission shall be paid the same fees and mileage as are paid to witnesses in the courts of record of general jurisdiction. Witnesses whose depositions are taken pursuant to the provisions of this Act, and the officer taking the same, shall be entitled to the same fees that are paid for like services in such courts.

Sec. 16. The Commission, any

Commissioner or any person employed by the Commission for that purpose, may at any and all times during reasonable hours inspect the accounts, books, papers and documents of any public utility, and have copies thereof. Any person other than a Commissioner demanding such inspection shall produce under the seal of the Commission, his authority to make such inspection.

Sec. 17. The Commission may require, by order served on any public utility in the manner provided herein for the service of orders, the production within this State at such time and place as it may designate, of any books, accounts, papers or records of the public utility relating to its business or affairs within the State, pertinent to any lawful inquiry and kept by said public utility in any office or place without this State or, at its option, verified copies in lieu thereof, so that an examination thereof may be made by the Commission or under its direction.

Sec. 18. The Commission, on its own motion or any person having an interest in the subject matter, including any utility concerned, may complain in writing setting forth any act or thing done or omitted to be done by any public utility in violation or claimed violation of any law which the Commission has jurisdiction to administer, or any order or rule of the Commission.

Sec. 19. Upon the filing of a complaint, the Commission shall cause a copy thereof to be served upon the person complained of. Service in all hearings, investigations and proceedings pending before the Commission may be made personally or by registered mail as the Commission may direct.

#### Article 5.

Section 1. Should any person, firm, corporation, trustee or lessee owning, operating, or conducting a public utility violate any of the provisions of this Act or any rule or regulation of the Commission, the Commission shall, whenever in its judgment the public interests require it, make application to a court of competent jurisdiction for a receivership of any such concern guilty of such violation. Such a receivership

shall control and manage the property of such utility under the direction of the court as provided by law in receivership matters. The grounds for appointment of a receiver provided for in this Article shall be in addition to other grounds provided by law.

Sec. 2. Any person or corporation which violates any provision of this Act, which mails, omits or neglects to obey, observe or comply with any lawful order or any part of provision thereof of the Commission is subject to a penalty of not less than One Hundred (\$100.00) Dollars nor more than Five Thousand (\$5,000.00) Dollars for each offense.

Sec. 3. In construing and enforcing the provisions of this Act relating to penalties, the act, omission or failure of any official, agent or employee of any corporation or person acting within the scope of his official duties or employment shall in every case be deemed to be also the act, omission or failure of such corporation or person.

Sec. 4. Every violation of the provisions of this Act or of any lawful order of the Commission or any part of portion thereof by any corporation or portion thereof by any corporation offense and in case of a continuing violation after a first conviction each day's continuance thereof shall be deemed to be a separate and distinct offense.

Sec. 5. All penalties accruing under this Act shall be cumulative and a suit for the recovery of one penalty shall not be a bar to or affect the recovery of any other penalties or forfeiture or be a bar to any criminal prosecution against any public utility or any official, director, agent or employee thereof, or any other corporation or person.

Sec. 6. Actions to recover penalties under this Act shall be brought in the name of the State of Texas in any court of competent jurisdiction.

#### Article 6.

Section 1. That the rates and service of any public service plant, property, equipment or facilities owned or operated by a municipality, or that shall hereafter be owned or operated by municipalities, shall not be subject to the jurisdiction, regulation or control of the

Commission, and provided further, this Act shall never be construed as taking anything from the municipalities of this State their authority, jurisdiction or power under any statute or charter, to fix, and regulate the rates, fares and charges as provided by said statute or charter; except as otherwise provided herein nor shall any provision of this Act be construed so as to affect existing franchises heretofore granted, nor to prevent or affect the power or right of any city to grant franchises to public utilities.

Sec. 2. Every public utility as defined in this Act whether its property be wholly situated within the boundaries of an incorporated city or otherwise shall on or before the first day of January and quarterly thereafter file with the Commission a statement duly verified under oath as true and correct by the president, treasurer, general manager, or other duly authorized officer of such utility showing the gross receipts of such utility for the quarter next preceding or for such portion of said quarterly period as such utility may have been conducting any business and at the time such statement is filed shall pay into the State Treasury at Austin a sum equal to one fourth of one per cent of the gross income received from all business done by it within this State during said quarter, and such funds shall be used to meet the expenses of the Commission as hereinbefore provided.

#### Article 7.

Section 1. Any patron of any utility herein defined, subject to the regulatory jurisdiction of any incorporated city or town, may apply to the governing body thereof for a reduction in rates, which shall be acted on by said governing body within twenty days, and if refused, he shall have the right of appeal to the Commission under such rules and regulations as the Commission may prescribe, provided that such application, as to present existing rates, shall be made within six months after this Act shall go into effect, and as to rates thereafter fixed, within three months thereafter, and provided further that should said governing body fail or refuse to so act within twenty days as above set

forth, then the same shall be deemed to have been refused.

Sec. 2. Any incorporated city or town having regulatory jurisdiction may invoke the assistance and facilities of the Commission in determining and fixing rates whenever deemed necessary or proper.

Sec. 3. No corporation, except one chartered under the laws of Texas; shall be authorized or permitted to construct, build, operate, acquire, own or maintain any public utility within this State.

Sec. 4. Every public utility operating in this State shall keep and maintain permanently its general offices in this State.

Sec. 5. All books, records and other documents in any way relating to the business or property of every utility operating in this State shall be kept at the general offices of such utility in Texas and they shall be kept open for inspection and examination to the agent of any duly constituted regulatory body in this State.

#### Article 8.

Should any Section, Article, provision or part of this Act be declared to be unconstitutional and void by a court of competent jurisdiction such decision shall in no way affect the validity of any of the remaining parts of this Act unless the part

held void is indispensable to the operation of the remaining parts. The Legislature hereby declares that it would have passed those parts of this Act which are valid and omitted any parts which may be unconstitutional if it had known that such parts were unconstitutional at the time of the passage of this Act.

#### Article 9.

This Act shall be so interpreted and construed as to effectuate its general purpose. All existing statutes covering the matters embraced in this Act are hereby repealed and all acts and parts of acts now in effect which are inconsistent with the provisions of this Act are hereby repealed, but no law now or hereafter enacted, requiring other reports of such utilities to be filed with other State, county or municipal officers or bodies, shall be repealed or affected hereby, and provided further that the statutes of this State relating to railroads and the regulation thereof are not repealed or modified in any way except as hereinbefore expressly set out.

#### Article 10.

This Act shall take effect from and after ninety days after the adjournment of the regular session of this Legislature.

**In Memory  
of  
Honorable Jack Beall**

**(Senator Martin Sent up the Following Resolution:)**

WHEREAS, Hon. Jack Beall, of Dallas, Texas, departed this life on the 12th day of February, A. D. 1929; and

WHEREAS, the said Hon. Jack Beall had served his State with unusual ability and distinction, having served his County in the Texas Legislature in the lower House, and having served his District in the Senate of Texas Legislature, and having served his Congressional District in the Congress of the United States, and at all times while in said services having supported and advocated those measures designed to up-build the State and preserve the rights and liberties of the people, and had the entire trust, confidence and admiration of all his constituency at all times; therefore,

BE IT RESOLVED, That the Senate of Texas deeply regrets the untimely passing of the Hon. Jack Beall, and extends its unbounded sympathy to his family in their bereavement; and,

BE IT FURTHER RESOLVED, That a copy of this resolution be forwarded to his family by the Secretary of the Senate, and that a page of the Senate Journal be set aside in honor of his memory; and,

BE IT FURTHER RESOLVED, That when the Senate adjourns on this, the 13th, day of February A. D., 1929, that it do so in honor of him, the said Hon. Jack Beall.

MARTIN,  
LOVE,  
MILLER.

Read and adopted unanimously by a rising vote.